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Congressman Bob Bergland Chosen to be the New Secretary of Agriculture

CONGRESSMAN BOB BERGLAND has been sworn in as the new Secretary of Agriculture following his nomination by President Carter and confirmation by the Senate.

Mr. Bergland is the 20th Secretary of Agriculture, and he comes to that post with extensive experience in both public service and agriculture. Since 1971, he has represented Minnesota's seventh congressional district in the U.S. House of Representatives. In that capacity, he served as chairman of the House Agriculture Subcommittee on Conservation and Credit, and as a member of the Agriculture Subcommittees on Livestock and Grains, and on Dairy and Poultry.

From 1961 until 1968, Mr. Bergland worked for the U.S. Department of Agriculture. He was chairman of the Minnesota Agricultural Stabilization and Conservation Service (ASCS) from 1961 to 1963, when he became ASCS's Midwest director. For 5 years, he administered agency programs in that area. In 1973, Mr. Bergland was a congressional advisor to the 17th session of the Food and Agriculture Organization Conference in Rome. In 1976, he served as a delegate from the House to the United Nations' Conference on Trade and Development in Nairobi,

Kenya. Born in Roseau, Minnesota, Mr. Bergland attended the University of Minnesota School of Agriculture. He is married to the former Helen Grahn, also of Roseau, and they have six children and two grandchildren. Mr. Bergland owns and operates a 600-acre farm near Roseau, raising wheat and lawn seed.

NEW REGULATIONS STRENGTHEN AND IMPROVE SUMMER PROGRAM

ON FEBRUARY 28, Secretary Bergland announced the issuance of a major overhaul in the regulations for the Summer Food Service Program for Children. Administered cooperatively by Federal, State, and local agencies, this program provides free meals to children from needy areas at public or private nonprofit, nonresidential summer camps. It operates primarily during summer months, but it is also available at other times in areas with a continuous school calendar.

The new regulations strengthen and improve program administration, providing stricter control over certification, operation, and monitoring at all levels. The changes reflect the 126 comments FNS received in response to proposed summer food service regulations, published in the Federal Register December 17.

Important regulation changes include:

- States must carefully review all organizations applying to sponsor the program and deny the program to sponsors with serious deficiencies in last summer's operation.

- Sponsoring organizations must offer a year-round service to the local community. The only exceptions are residential camps, programs for children of migrant workers, and instances where no summer food service program would otherwise be available.

- States must develop and issue standard contracts for the use of sponsors contracting for the food service, and States must also monitor bidding operations to assure that collusive bidding practices are prevented.

- State agency personnel must visit all nonschool sites in urban areas with a public school enrollment of more than 75,000, prior to approval, to assess the capacity and adequacy of the proposed site for food service.

- Program sponsors can operate no more than 200 sites, and can serve no more than an average of 50,000 children per day. Exceptions may be made after careful review is made by the State agency of the sponsor's past performance.

- Program sponsors must provide the State agency with a copy of a letter notifying the local health department when and where they intend to operate a summer food service program.

- States must work with sponsors to develop specifications for standards of quality for food served.

- Advance payments to sponsors will be the greater of either 65 percent of last year's reimbursement, or 100 percent of anticipated costs as determined

by the State agency. Advance payments are payable on June 1, July 15, and August 15, upon receipt by the State agency of the sponsor's request for payment.

- States must develop a review procedure for sponsors denied participation, advance payments, or reimbursement payments, and must inform sponsors of the procedure.

- Sponsors who receive more than \$50,000 in program reimbursements must be audited, and only by a Certified Public Accountant.

Complete details of the final regulations appeared in the March 1 Federal Register, and were effective immediately.

COMMENTS INVITED ON PROPOSED WIC REGULATIONS

FNS IS ACCEPTING comments through March 28 on proposed regulations for the Supplemental Food Program for Women, Infants, and Children (WIC). The regulations would establish a national income eligibility standard for WIC, based on the Secretary of Agriculture's income poverty guidelines.

Currently, there is no income ceiling for WIC applicants. Under the proposal, the cut-off level for WIC applicants would be an annual income of \$11,110 for a family of four. This ceiling would be a maximum standard--States could use a lower standard subject to USDA approval.

The proposed regulations also would create a priority system for certifying WIC applicants, based on their degree of nutritional need. Applicants are now certified on a first-come, first-served basis. The proposed regulations would make these additional major changes:

- Children over 1 year old could continue to receive the infant food package, including formula, if a physi-

cian diagnoses a special dietary need. Children are now switched from formula to milk after their first birthday.

- Infants born to WIC mothers could remain on the program until 6 months of age, when their nutritional status would be assessed. Currently, that assessment is made at 6 weeks of age.

- Local agencies could contract with private physicians to provide health services needed to operate a WIC clinic if the area has no public or private nonprofit agencies offering these services. This provision will help bring the WIC program to areas without institutionalized health services.

- State agencies would be required to operate a uniform food delivery system in the area under their jurisdiction. Currently, some State agencies use as many as three food delivery systems: home delivery, direct distribution at the WIC clinic, or vouchers redeemable at food markets. Exceptions would be made for special circumstances.

The proposed rules were published in the Federal Register on February 11.

Already in effect are the following changes in certification requirements and food package specifications:

- A hemoglobin or hematocrit test is no longer required as part of the initial certification procedure for infants up to 6 months of age. These blood tests are inconclusive as a determinant of nutritional status for infants in this age group. The tests will still be required for infants over 6 months old, and for all women and children, if the necessary equipment is available.

- Powdered iron-fortified infant formula may now be substituted for concentrated liquid formula at a maximum rate of 8 pounds per 403 fluid ounces

per infant per month. The previous substitution rate--1 pound of powdered formula per 58 fluid ounces of concentrate--did not supply nutritionally adequate amounts of some powdered formulas.

- Infant juices authorized for use must contain at least 30 milligrams of vitamin C per 100 milliliters.

Effective October 27, these changes are the result of an amendment to the interim WIC regulations.

TWO ADVISORY COMMITTEES STUDY THE WIC PROGRAM

TWO ADVISORY COMMITTEES established to study the WIC Program--the Advisory Committee on Nutrition Evaluation and the National Advisory Council on Maternal, Infant, and Fetal Nutrition--continued deliberations at meetings held early this year. Both committees were mandated by Public Law 94-105, the child nutrition legislation of October 1975.

The Advisory Committee on Nutrition Evaluation, which has been studying methods of evaluating WIC health benefits, held its third and final meeting January 17 and 18 in Alexandria, Virginia. The 14-member committee reviewed findings developed at its first two meetings on the design, methodology, limitations, and implications of several evaluation approaches. The committee also reviewed the draft of its final report which recommends evaluation alternatives. The report will go to the Secretary of Agriculture and the Congress.

The National Advisory Council on Maternal, Infant, and Fetal Nutrition held its second meeting February 9 and 10 in Atlanta, Georgia. Established to study and report on WIC program operations, the council includes representatives from Federal and State agencies concerned with nutrition and health. Discussions focused on issues to be addressed in the council's report to Congress.

SECRETARY BERGLAND RESCINDS FOOD STAMP REGULATIONS

ON FEBRUARY 2, Secretary Bergland rescinded the food stamp regulations issued last May. Secretary Bergland took this action so USDA could review and develop a food stamp policy free of any encumbrances the May 7 proposals might have imposed. The regulations had remained in abeyance since June 18, because of a preliminary injunction issued by the U.S. District Court for the District of Columbia. The regulations would have reduced the food stamp benefits to large segments of participants.

FAMILIES IN SEVERAL STATES HELPED BY EMERGENCY AID

FNS RESPONDED to this winter's freeze and fuel shortages in the East by issuing emergency food stamp allotments to families left jobless in hard-hit areas of Florida, Maryland, Virginia, and New York. Early in February, residents of counties in the Chesapeake Bay region of Maryland, eastern Virginia, and western and upstate New York were authorized to apply for food stamps under emergency procedures. Later in the month, six counties in southern Florida also were designated for emergency assistance. The emergency assistance continued until February 28 in all these areas.

Under emergency food stamp procedures, applicants must sign an affidavit attesting that their income and resources have been cut off by the disaster. Recipients are issued up to one month's allotment of food stamps at no cost, according to household size. Persons who abuse these emergency procedures are subject to criminal prosecution and penalty under the law.

QUALITY CONTROL REPORT PROVIDES ENCOURAGING STATISTICS

THE LATEST QUALITY control report shows a marked decline in the food stamp error rate between the 6-month periods ending

in December 1975 and June 1976. The quality control review is an administrative tool for checking eligibility and correct issuance of food stamps. As in all previous reviews, the January-June 1976 review was conducted solely for the error rate of nonpublic assistance households in which at least one member is not receiving public assistance.

The report indicates that a total of 92.8 percent of bonus dollars were issued to nonpublic assistance households who satisfied financial and other basic program criteria for eligibility. That means the percentage of bonus dollars issued to nonpublic assistance households not satisfying these criteria was 7.2 percent--a decline from 8.1 percent in the period ending December 1975. There was also a decline in the percentage of bonus dollars over-issued to eligible nonpublic assistance households--from 7.8 percent to 6.9 percent. These encouraging statistics mean that the States are doing a better job of reviewing their caseloads, finding their difficulties, and correcting them.

NEW COMPLIANCE UNIT HAS SEVEN AREA OFFICES

THE FOOD STAMP PROGRAM will be monitoring more closely the sale of ineligible items for food stamps through its new Compliance Branch. Seven area offices opened in mid-February will handle most of this monitoring. The offices are in New York, Washington, D.C., Atlanta, Memphis, Chicago, Dallas, and Oakland, California. Compliance officers in each location will get reports from FNS field offices on suspected food stamp violations by retailers.

If a compliance review finds a store selling ineligible items for food stamps, the retailer may face disqualification from the program. If a review finds documented evidence of criminal activity, the case will be turned over to USDA's Office of Investigation.

RETAILER/WHOLESALE REGULATIONS NOW BEING CONSIDERED

FNS IS CONSIDERING comments on two proposed amendments to food stamp regulations for food retailers and wholesalers.

One proposal would require retail or wholesale firms who accept food stamps to annually update information on their original applications for authorization, including food sales information. Under the proposal, failure to do this could result in withdrawal of a firm's authorization to accept food stamps. All information would be safeguarded from disclosure. Currently, firms are not required to provide regular updates of food sales figures. The proposal includes these additional provisions:

- Authorized firms could not impose expiration dates on credit slips or tokens which are issued to food stamp customers as a change-making option when change of less than a dollar is due in a food stamp transaction.

- FNS would not be liable for losses or thefts of food stamps from authorized firms.

The deadline for comments on this proposal was January 16. It appeared in the Federal Register November 16.

The second proposal would streamline administrative procedures for withdrawing food stamp authorization when a change in the nature of a firm's business makes it ineligible to participate.

Under current regulations, FNS cannot remove a firm which has changed the nature of its business until that firm has submitted a new application for authorization. If the firm is not eligible, FNS denies the application. Under the proposal, FNS could immediately withdraw authorization in such cases. A firm whose authorization is withdrawn would continue to have the right to adminis-

trative and judicial review of the action. Comments on this proposal were accepted through February 3. The proposal was published in the Federal Register on January 4.

PROPOSALS WOULD TIGHTEN CONTROLS OVER ISSUANCE AGENTS

FNS IS REVIEWING comments on proposed food stamp regulations that strengthen Federal and State controls over food stamp issuance agents. The proposals spell out responsibilities for States and issuing agents. They implement the Emergency Food Stamp Vendor Accountability Act of 1976 and provide that:

- Cash receipts from food stamp sales are Federal funds, and issuance agents will act as trustees (fiduciaries) of the Federal Government in handling these funds.

- Food stamp funds in excess of \$1,000 must be deposited in the Federal Reserve Bank within one banking day. Lesser amounts must be deposited weekly.

- State agencies must establish an accounting system to monitor compliance with the depositing requirement. Late deposits may be subject to an interest charge of 6 percent per annum.

- Issuance agents must report monthly to FNS through the State agency on their inventory levels and on overall food stamp operations. State agencies must verify and consolidate these monthly reports and send them to FNS.

The Vendor Accountability Act provides, for the first time, stiff criminal penalties for violations by issuance agents, including a \$10,000 fine and 10-year prison term for using more than \$1,000 in food stamp funds for personal gain. The proposed regulations were published in the Federal Register on January 7. Comments were accepted through February 7.

TWO REGULATION CHANGES GIVE STATES MORE FLEXIBILITY

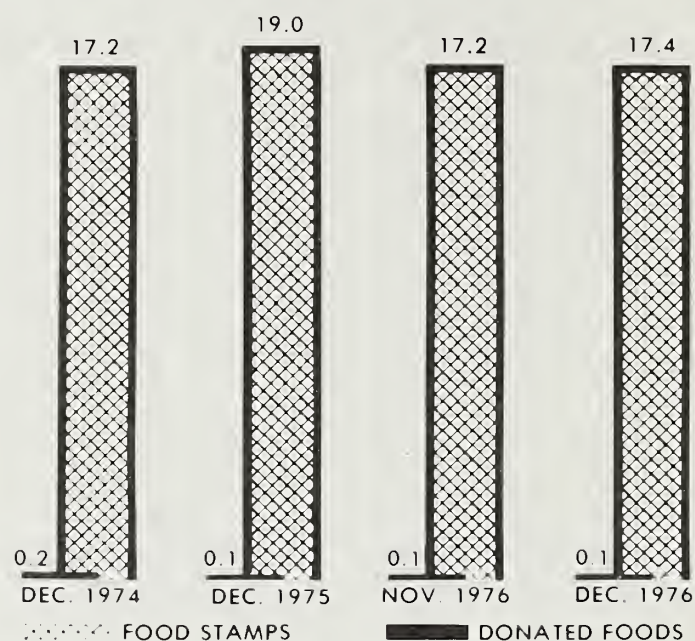
AMENDED REGULATIONS for the food stamp performance reporting system are now in effect. Intended to provide States with maximum flexibility in developing their own review procedures, the new system reduces the number of reports States are required to submit to FNS. Under the revised system, FNS, rather than the States, will conduct annual reviews of State agency operations. States will no longer have to submit separate personnel reports, separate reports on the status of unachieved corrective action, and reports on findings from reviews of local food stamp operations. The system went into effect October 1.

As a result of another food stamp regulation change, States can now purchase, without prior FNS approval, up to \$2,500 in equipment or facilities needed for program operations. Previously, only purchases up to \$300 were exempted from prior approval. Effective December 20, this increased exemption is more in line with present-day equipment costs.

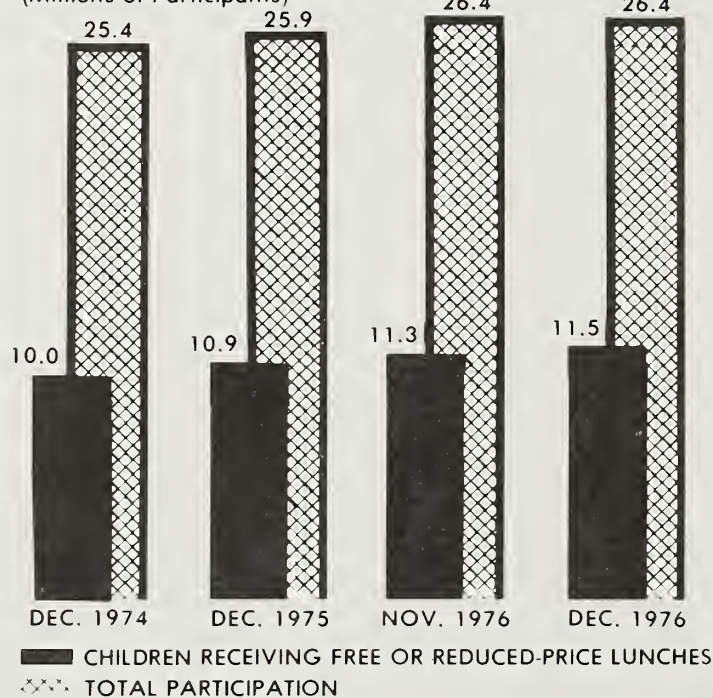
NO INCREASE MADE IN FOOD STAMP ALLOTMENTS AND ELIGIBILITY LEVELS

NO INCREASE HAS BEEN MADE in food stamp allotments and maximum eligibility levels for the 6-month period, January-June 1977. The allotments and standards remain at the levels in effect during the previous 6 months. The maximum allowable income standard for a four-person household in the 48 States and the District of Columbia remains at \$553 a month, and the allotment remains at \$166 a month. The Food Stamp Act, as amended, calls for allotments to be adjusted semi-annually to reflect changes in food prices as published by the Bureau of Labor Statistics. Maximum eligibility standards are based on allotments and adjusted at the same time. The cost of the Thrifty Food Plan in August 1976 was unchanged from February 1976, so allotments are also unchanged.

FAMILY FOOD ASSISTANCE PROGRAMS
(Millions of Participants)



NATIONAL SCHOOL LUNCH PROGRAM
(Millions of Participants)



FNS INCREASES RATES OF PAYMENT FOR CHILD NUTRITION PROGRAMS

IN LINE WITH changes in the Consumer Price Index, FNS has increased rates of payment for the National School Lunch, School Breakfast, and Child Care Food Programs. Effective January 1, the adjustments reflect the 2.8 percent

change in the CPI for June-November 1976.

The average payment to States for each lunch served increased from 13 to 13.25 cents. States may vary a school's reimbursement up to 19.25 cents a lunch. Previously, the ceiling was 19 cents.

The additional average payment for lunches served to needy children went up 1.50 cents--to 60 cents for a free lunch and 50 cents for a reduced-price lunch. The maximum reimbursement States can pay schools increased 1.75 cents to 88.25 cents for a free lunch and 78.25 cents for a reduced-price lunch.

The national average payment for school breakfasts is now 10.75 cents--an increase of .25 cents. The additional average payment is now 26.75 cents for a free breakfast and 20 cents for a reduced-price breakfast. Maximum rates of reimbursement remain at 45 cents for a free breakfast and 40 cents for a reduced-price breakfast.

Sponsors of the Child Care Food Program earn reimbursements for lunches and breakfast at the same levels as schools. Reimbursements for snacks served to children in day care increased by .25 cents--to 5.50 cents for each snack. Additional reimbursement is 16.50 cents for a free snack and 11 cents for a reduced-price snack.

SCHOOL BREAKFAST PATTERN REVISED

AN AMENDMENT TO School Breakfast Program regulations provides greater flexibility in meal patterns by allowing schools or institutions to serve vegetables. Previously, regulations called for schools or institutions to serve fruit or full-strength fruit or vegetable juice as part of the breakfast pattern. Under the amended regulations, the breakfast pattern includes a serving of bread or cereal, milk, and fruit or vegetables, or full-strength fruit or vegetable juice. The change went into effect November 22.

NEW MEMBERS APPOINTED TO NATIONAL ADVISORY COUNCIL

FOUR NEW MEMBERS will attend the next meeting of the National Advisory Council on Child Nutrition. They are: Carol Mae Roberg Lind, school board director, Minneapolis public schools, Minneapolis; Edna R. Ramon, school lunch supervisor, Rio Grande City, Texas; Sharon Two Bears, classroom teacher, Standing Rock Community School, Fort Yates, North Dakota; and Wayne D. Wong, school food service director, Bakersfield City Public Schools, Bakersfield, California.

FOOD PROGRAM PEOPLE

BILLY W. WOOD is administrator of the new FNS Mountain Plains Region. Mr. Wood began his Federal career in 1958 as an inspector for USDA's Meat and Poultry Division. He transferred to the Agricultural Marketing Service in 1962 and helped set up the Food Stamp Program in Louisiana. In 1966, he moved to Dallas, and worked as a program specialist for the Food Distribution and the Food Stamp Divisions. He was selected assistant to the Regional Administrator in 1971. Mr. Wood earned a degree in agriculture from Arkansas State University.

MONROE WOODS is the deputy administrator of the FNS Mountain Plains Region. Mr. Woods joined USDA's Los Angeles field office in 1966, and moved to the Western Regional Office in 1967. In 1971, he was selected chief of the region's Food Stamp Operations and Evaluation Section. He became assistant program director for the region in March 1975, and in September 1975, he transferred to the New England Regional Office as food stamp director. Mr. Woods has a bachelor's degree in business administration from California State University at Hayward.

R. HICKS ELMORE is the new administrator of the FNS Mid-Atlantic Region. Mr. Elmore first joined USDA in 1962 as officer-in-charge of the Rocky Mount, North Carolina field office. He trans-

ferred to the Southeast Region in 1963, where he served as an administrative assistant and later became head of the Food Stamp Program's State Agency Operations Branch. In 1966, Mr. Elmore was selected assistant food stamp director for the region, and in 1967, he was named regional food stamp director. In 1974, he became deputy administrator of the Western Region. A graduate of Wofford College, Mr. Elmore has received several honor awards.

JOHN W. BOOZER is now deputy administrator of the FNS Western Region. Mr. Boozer began working for USDA in 1963 as officer-in-charge of the Food Stamp Program in Birmingham, Alabama. He moved to the Southeast Regional Office in 1966 as assistant director of the program, and became director in 1973. He has a bachelor's degree in business administration from Auburn University.

EDWARD W. DAVIDSON succeeds John Boozer as director of the Southeast Regional Food Stamp Program. He joined FNS in 1965 as officer-in-charge of the York, South Carolina field office and in 1967, he moved to the Southeast Regional Office. There he served as a supervisory food program specialist and as assistant director of the Food Stamp Program. Mr. Davidson earned a bachelor's in agricultural science from Auburn University.

TOM PATE is now food stamp director for the FNS New England Region. He has been acting director since October, and previously served as chief of the region's Food Stamp Evaluation Section. He has worked with FNS since 1968, as a food program specialist in field offices in the Southwest, and as officer-in-charge in New Orleans. He received bachelor's and master's degrees in business administration from Louisiana Tech University.

NEW RELEASES

- "A Daily Food Guide" (FNS-13) is a revised poster listing the four basic food groups and the recommended daily portions to be eaten from each group. *Copies are available from the Nutrition and Technical Services Staff, U.S. Department of Agriculture, Food and Nutrition Service, Washington, D.C. 20250.*

- "The Child Nutrition Programs" (PA-948) is now a brochure that can be used as a poster for easy reference. It provides general information on all the child nutrition programs.

- "The Summer Food Service Program for Children" (PA-1133) has been revised. Available for display at feeding sites, this poster lists major points to remember in operating the program and includes a chart of meal patterns.

- "The National School Lunch Program" (FNS-78) has been updated to reflect changes resulting from Public Law

94-105. It answers basic school lunch program questions, such as: which schools and institutions are eligible and how they can join, and which children get free or reduced-price meals.

For copies of these information materials, write to the Child Nutrition Division, U.S. Department of Agriculture, Food and Nutrition Service, Washington, D.C. 20250.

- "Publications of the Food and Nutrition Service" (FNS-11) is a revised, 20-page booklet which lists FNS publications by number and series.

- "Food Programs of USDA" (PA-1161) is a new brochure providing general information on family food assistance programs and child nutrition programs.

For copies of these materials, write to the Information Division, U.S. Department of Agriculture, Food and Nutrition Service, Washington, D.C. 20250.